

Δ DEFENDANT Δ	United States District Court Northern District of California	
	Case No.	4:20-cv-05640-YGR
	Case Title	<i>Epic Games, Inc. v. Apple, Inc.</i>
	Exhibit No.	DX-3734
	Date Entered	
	Susan Y. Soong, Clerk	
	By: _____, Deputy Clerk	



4th Annual App Store
Global Management Team Summit

CONFIDENTIAL

Agenda

Summit Overview

Team Update

Business Update

FY'14 Priorities

Q & A

Summit Overview

Summit Goals

1. Review FY'13 performance and share learnings
2. Identify future opportunities
3. Finalize top priorities for FY'14
4. Strengthen communication and relationships

Summit Rules

1. Share, listen and learn
2. Be present
3. Bring your ideas to every session
4. What happens at the Summit stays at the Summit

Day 1

8:30-9 am	Breakfast
9-9:45 am	App Store State of the Union (Matt)
10-10:45 am	FY'13 Global Business Update (Alex)
11-12:30 pm	Lunch + FY'13 International Business Update (Daniel M., Hiro, Luke, Kai, Omar, Ben, Mike and Daniel P.)
12:30-1 pm	Break
1-1:45 pm	Editorial (Tanya)
2-2:45 pm	Store Management (Alex)
3-4:30 pm	Product (Steve G., Pedraum)

Day 2

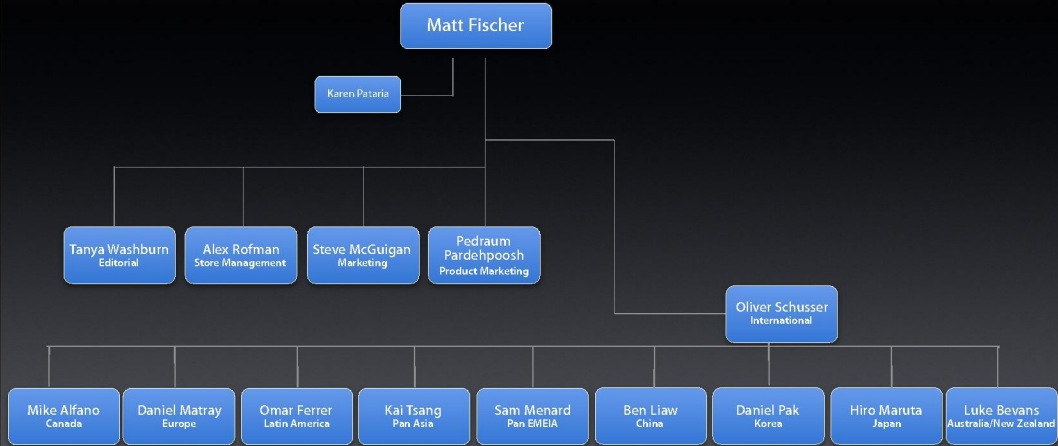
8:30-9 am	Breakfast
9-9:45 am	Competitive Update (Pedraum)
10-10:45 am	Eddy Cue
11-11:45 am	Converting Free-to-Paid Customers (Discussion Leaders: Mike, Kai, Omar)
12-1 pm	Lunch + Operations Update (Eric Gray)
1-1:45 pm	Alternative App Discovery Platforms (Steve, Daniel P., Hiro, Ben)
2-2:45 pm	Establish Processes for a Great Global Promotion (Tanya)
3-3:45 pm	Marketing (Steve, Tracey)
4-6 pm	Team Happy Hour / Results Way Beer Bash

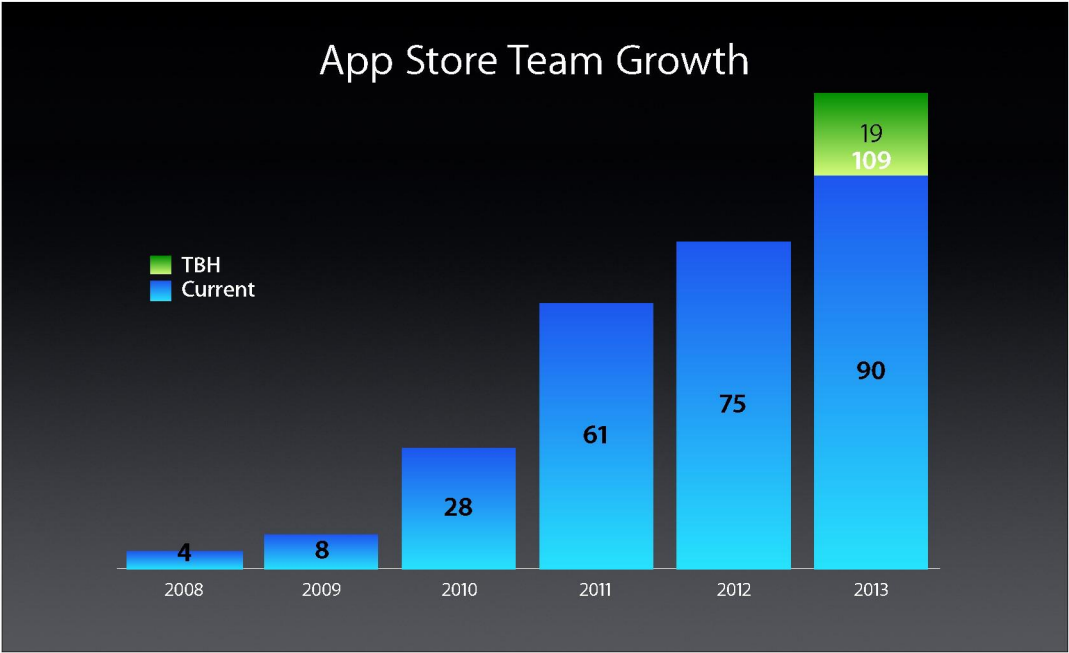
Day 3

8:30-9 am	Breakfast
9-9:45 am	Freemium (Discussion Leader: Alex)
10-10:45 am	Increasing ARPU (Daniel, Luke, Mike)
11-11:45 am	Localization (Hiro, Ben, Omar, Kai)
12-2:30 pm	Lunch + FY'14 Team Priorities (Matt)

Team Update

App Store Management Team





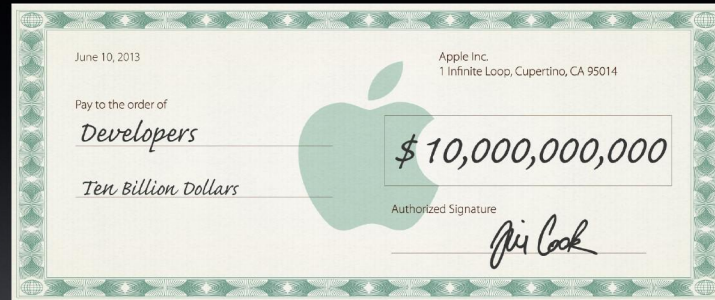
Business Update

May

50,000,000,000

Apps downloaded

June



Paid to developers





700 Million

iOS devices sold

170 Million

iPads sold

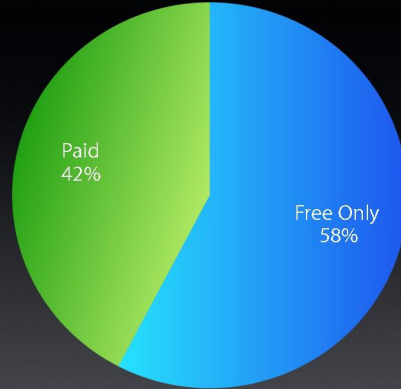
64%

Running iOS 7

500 Million

App Store Customers

Customers



1,000,000

Apps on the App Store

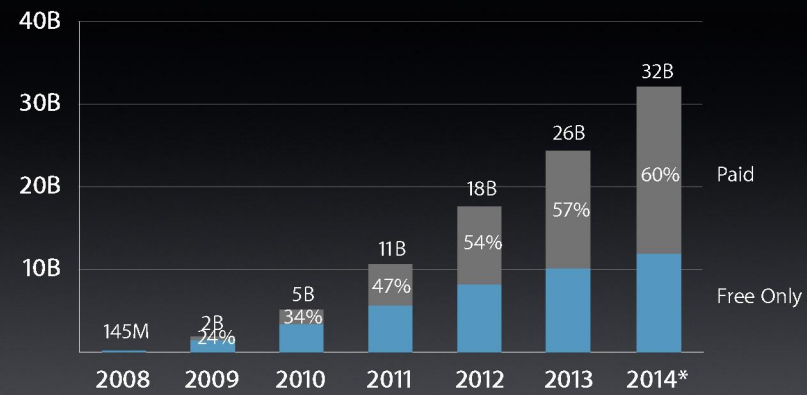
475,000

Made for iPad

60 Billion

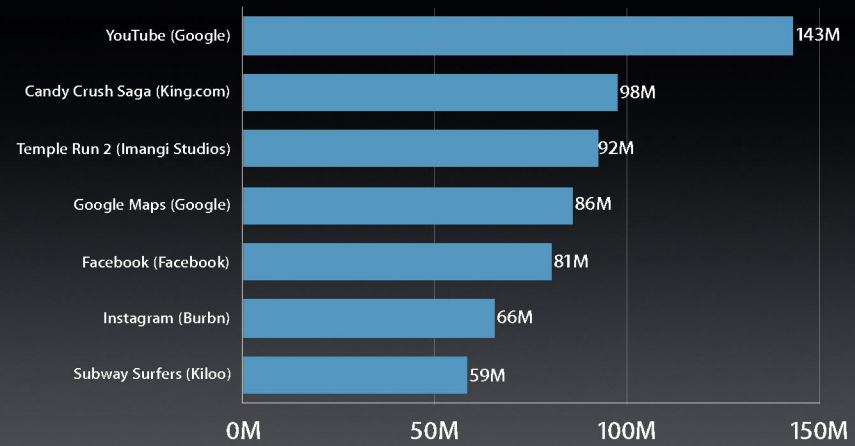
Apps Downloaded

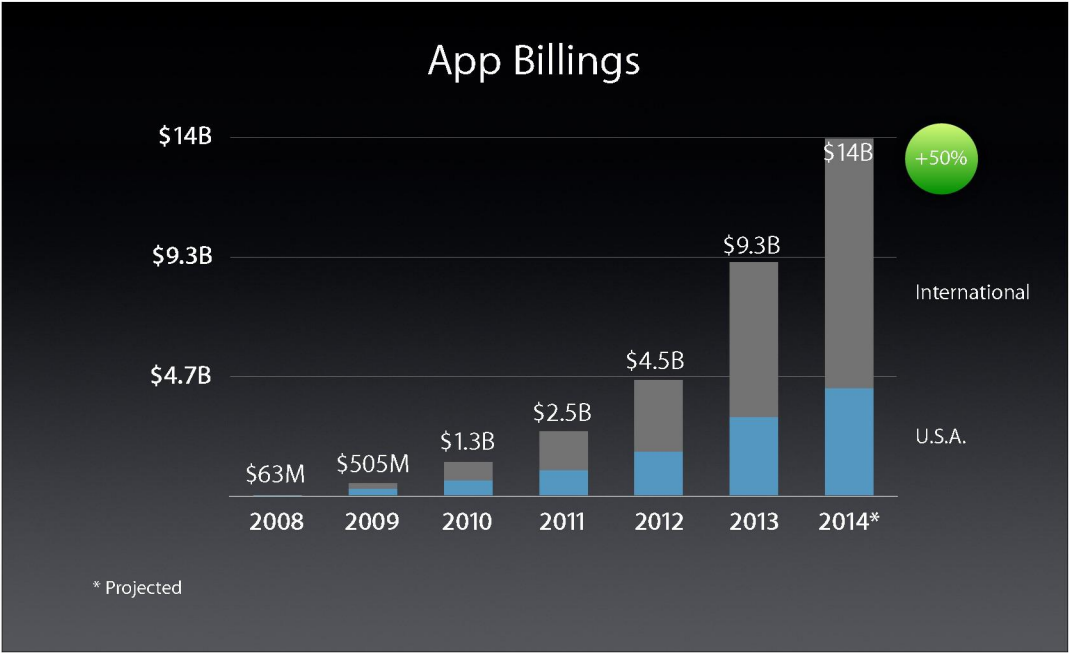
App Downloads



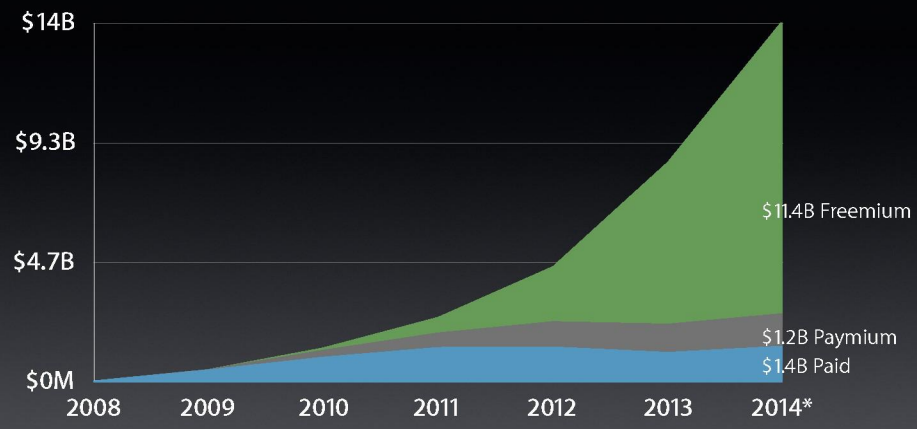
* Projected

Top Downloaded Apps - FY'13



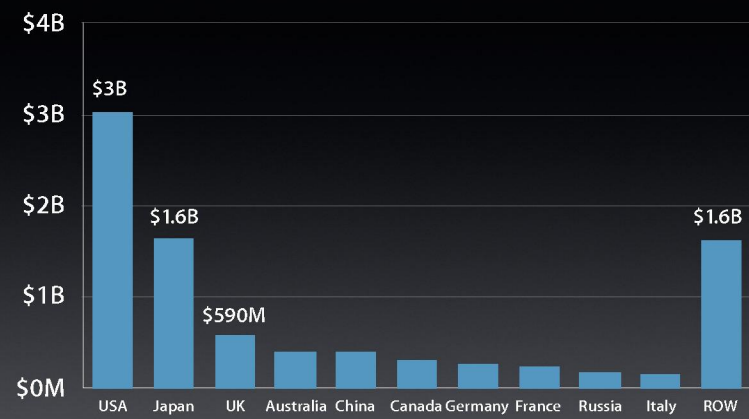


App Billings by Business Model

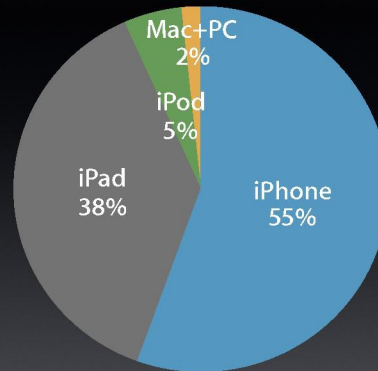


* Projected

Top 10 Countries - FY'13



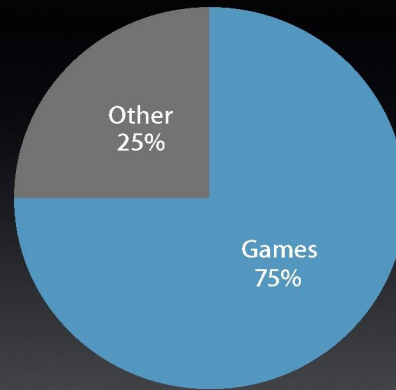
Billings by Device - FY'13



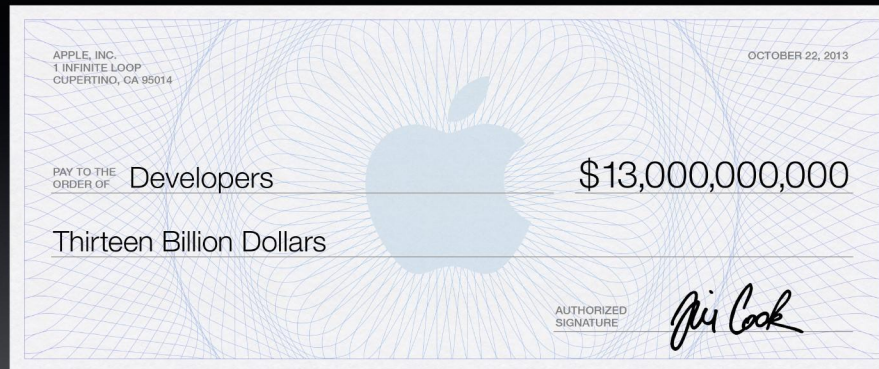
WW

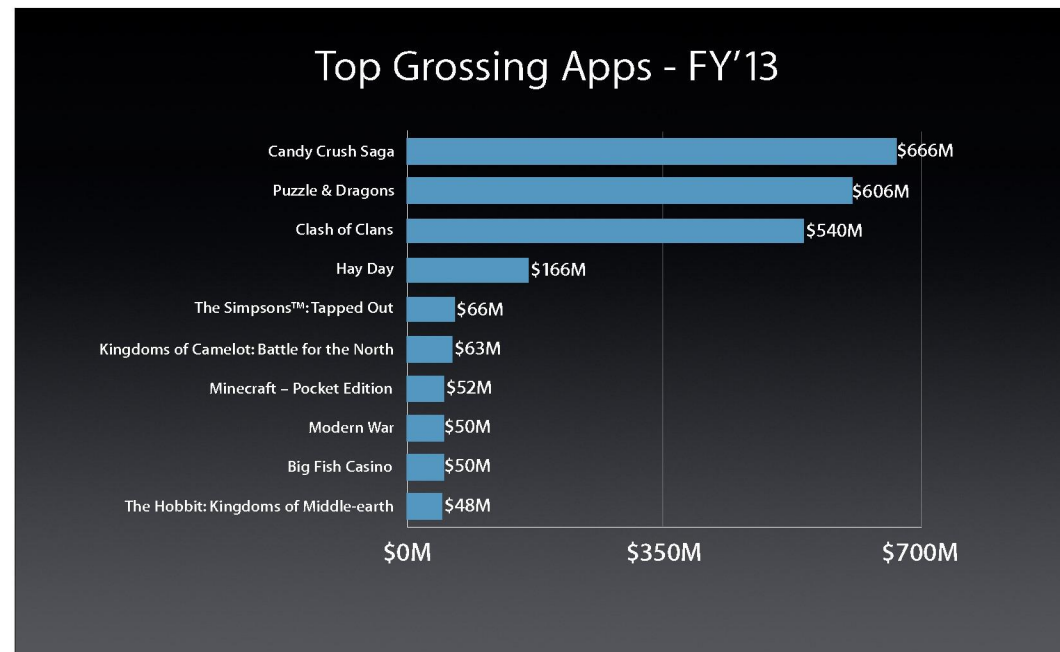
Here's where our customers SPEND MONEY on apps.

Billings by Category - FY'13



WW; Top categories broken out by BILLINGS.





WW
Apps generated the MOST MONEY last year.
All revenue from these apps came via IAP except for Minecraft.

Candy Crush Saga (King.com)



- Our first \$1B title?
- 100M downloads LTD
- 82% Free vs 18% Paid
- \$7 ARPU, \$39 ARPPU
- King is biggest mobile advertiser in the world

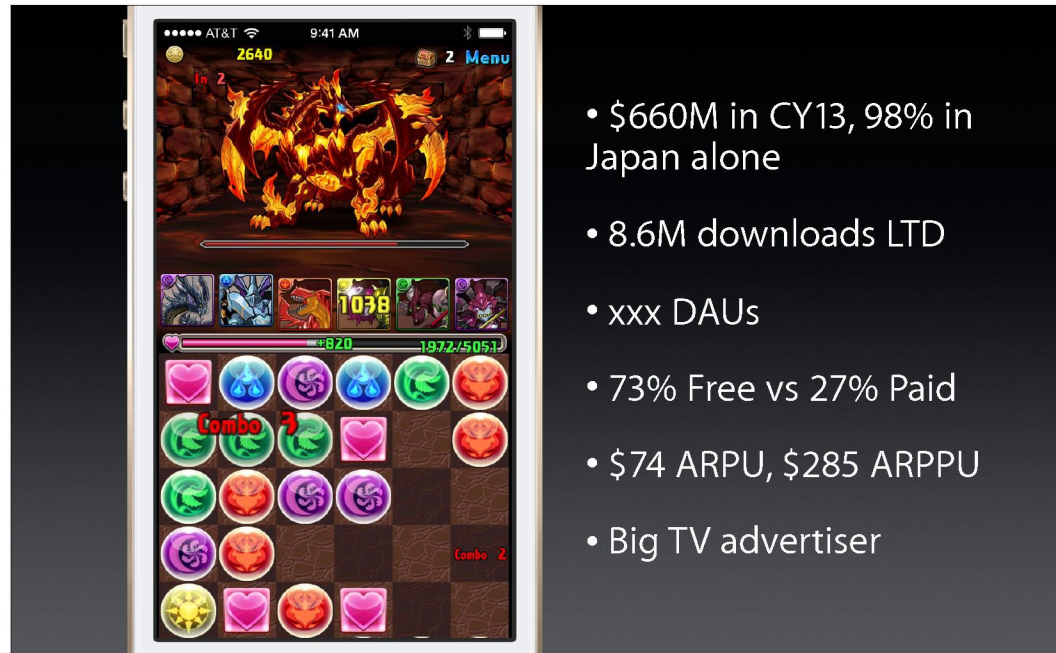


- First \$1B title (\$950M+)
- 100M downloads LTD
- xxx DAUs
- 82% Free vs 18% Paid
- \$6.80 ARPU, \$38.50 ARPPU
- Biggest mobile advertiser in the world

Puzzle & Dragons (GungHo)



- \$600M+ in FY'13
- 98% in Japan
- 8.6M downloads LTD
- 73% Free vs 27% Paid
- \$74 ARPU, \$285 ARPPU



- \$660M in CY13, 98% in Japan alone
- 8.6M downloads LTD
- xxx DAUs
- 73% Free vs 27% Paid
- \$74 ARPU, \$285 ARPPU
- Big TV advertiser

Clash of Clans (Supercell)

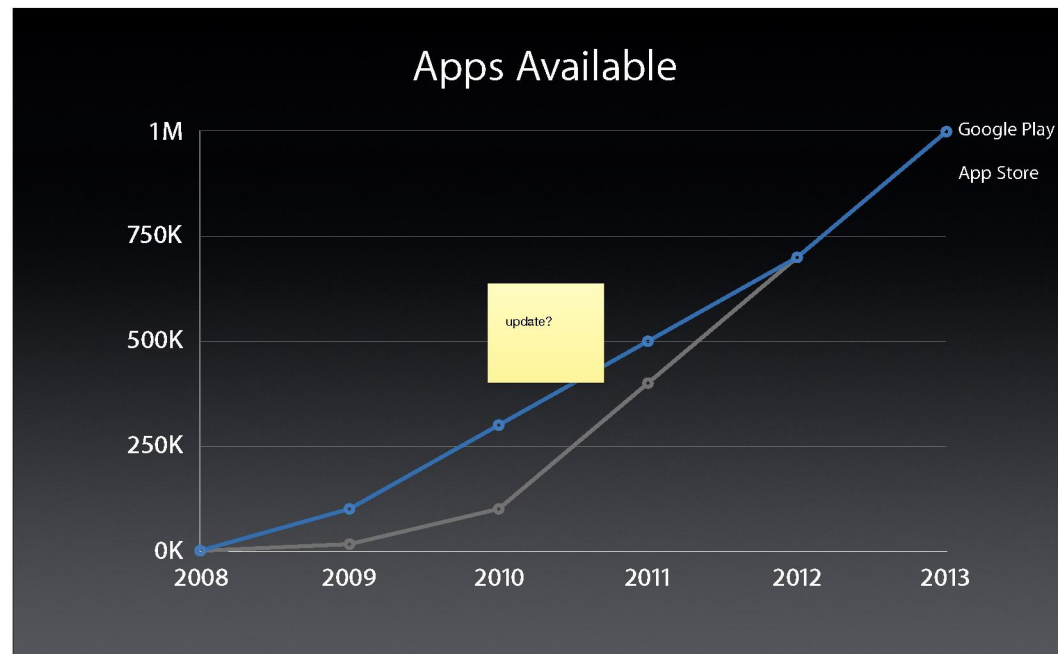


- \$540M in FY'13
- 39M downloads LTD
- 89% Free vs 11% Paid
- \$15 ARPU, \$133 ARPPU
- Dev only has 2 games

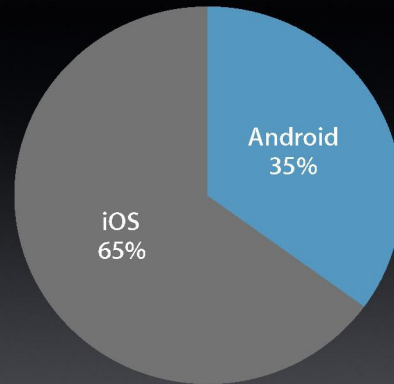
Competition



Google



Revenue for Developers



Source: Distimo



App trailers

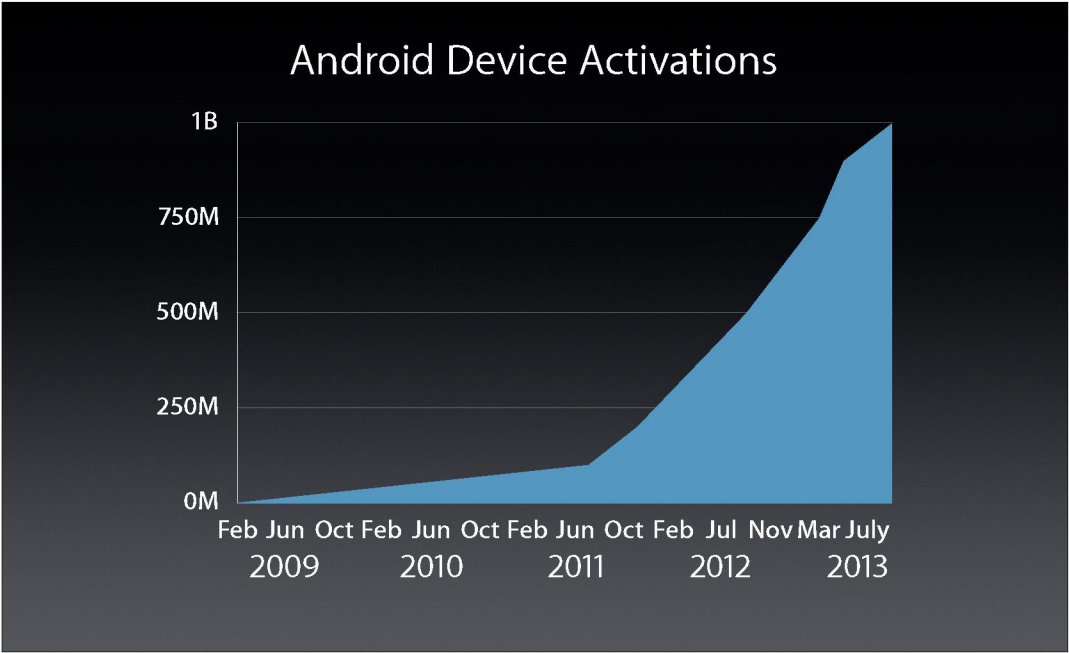
Carrier billing

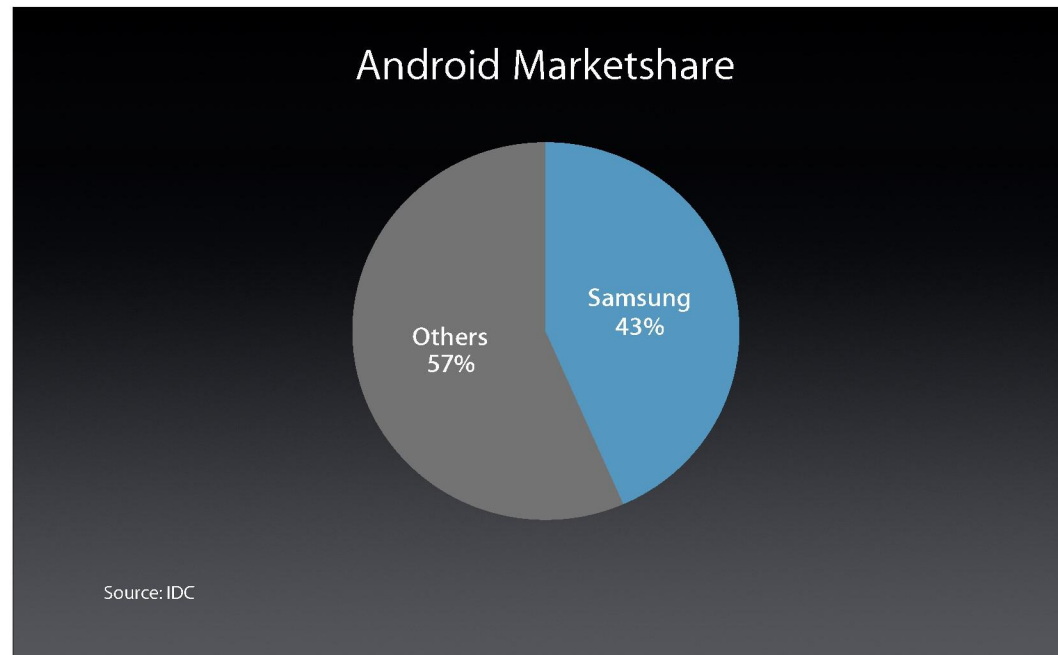
Responses to reviews

App & marketing analytics

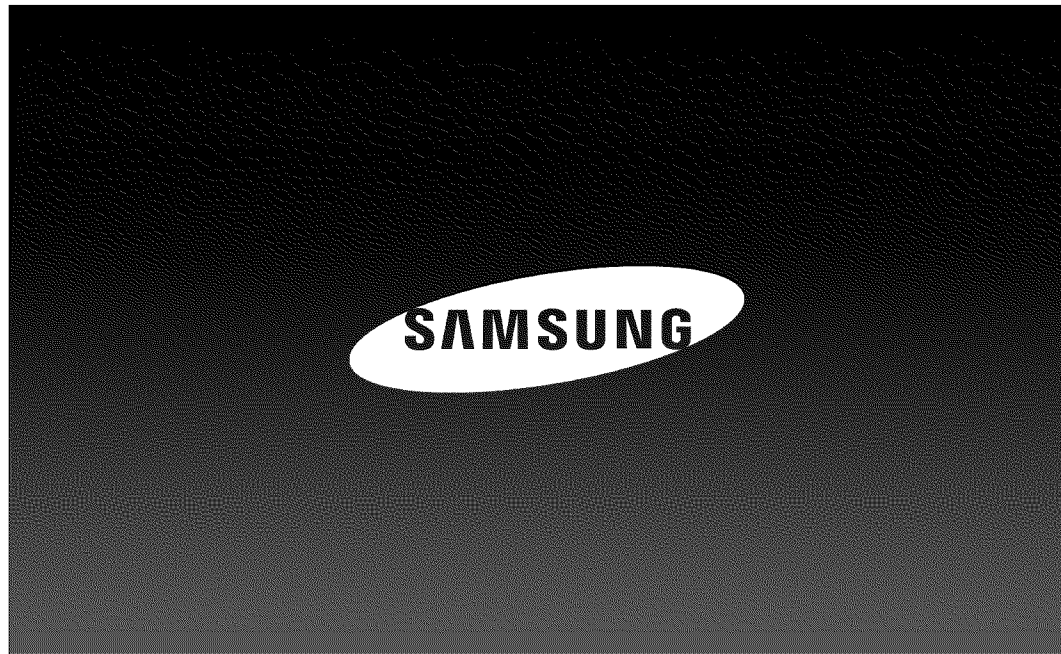
Beta testing

App localization marketplace



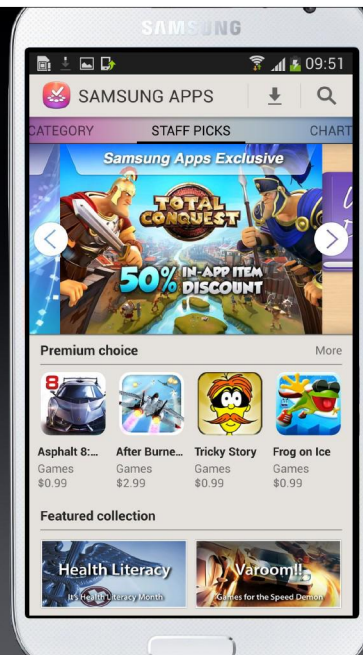


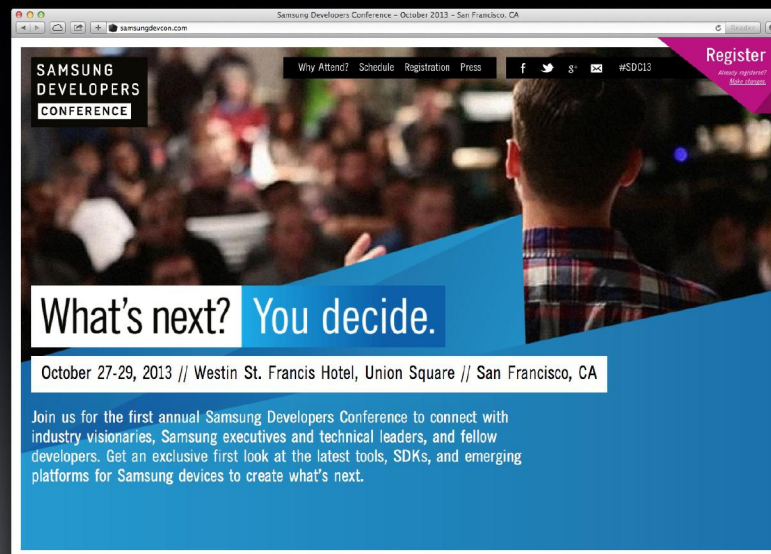
<http://www.engadget.com/2013/01/25/idc-samsung-extends-lead-over-apple-q4-2012-smartphones/>
<http://www.idc.com/getdoc.jsp?containerId=prUS23946013#.UR0wgVrwL2k>





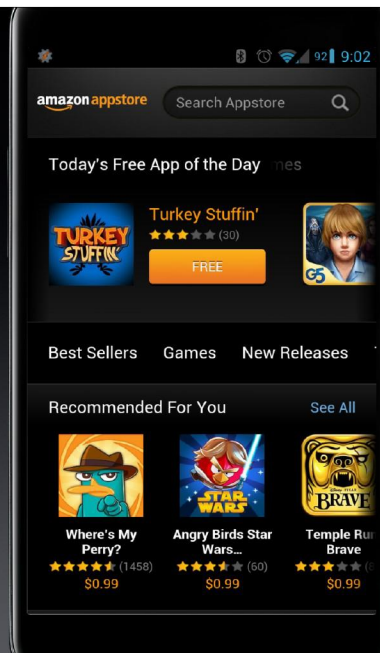
Only x apps
available







In-App Purchase for Physical Goods







Customers

*How are we helping our
customers find great apps?*

*How are we helping our
customers buy apps?*

Developers

*Are we giving developers the
tools they need to be
successful?*



Discovery: Better user experience
International: More countries, more local
Sales & Marketing: More revenue through developer activities
Developer Tools: Help developers be more successful



Discovery

Editorial / curation

Surface the best apps

Improved search

Trending, new languages

Improved browse

Badging, recommendations



International

More countries

More localizations

More local currencies

Expand gift cards

Carrier billing



Sales & Marketing

Convert free to paid customers
via sales, promotions

Secure more iOS exclusives

Educate developers on emerging
business models

Drive more developer marketing

Create more partnerships like
Starbucks



Developer Tools

Beta testing

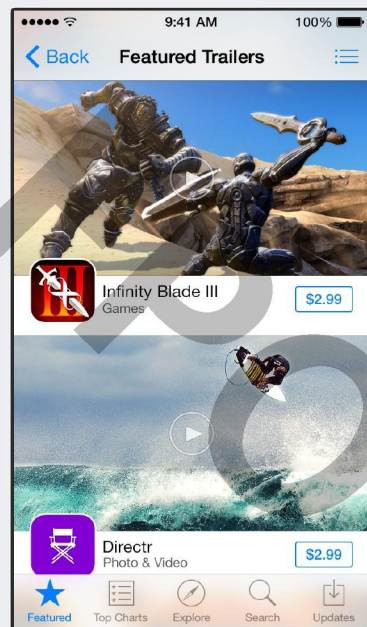
App analytics

Marketing analytics

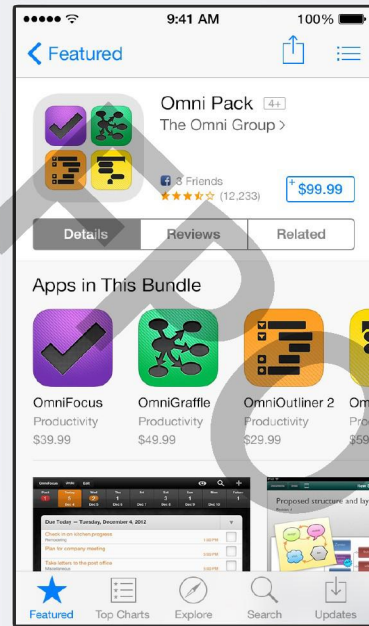
New iTunes Connect site &
app



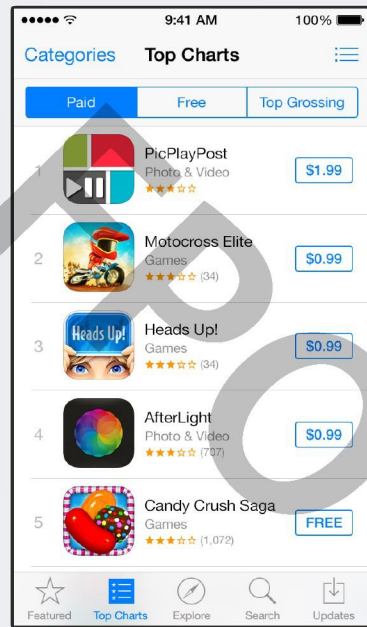
App Trailers



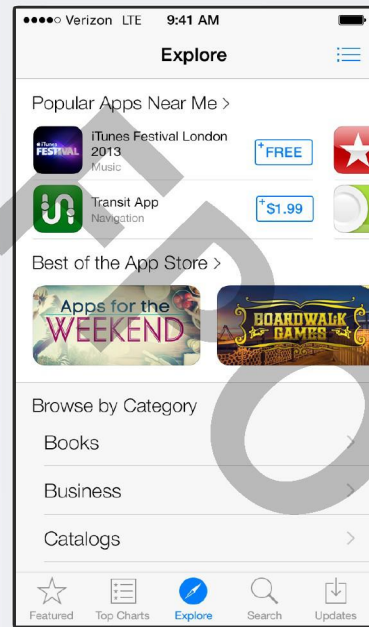
App Bundles



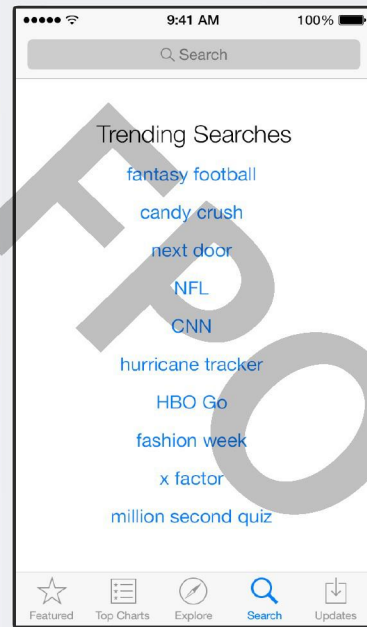
Improved Charts



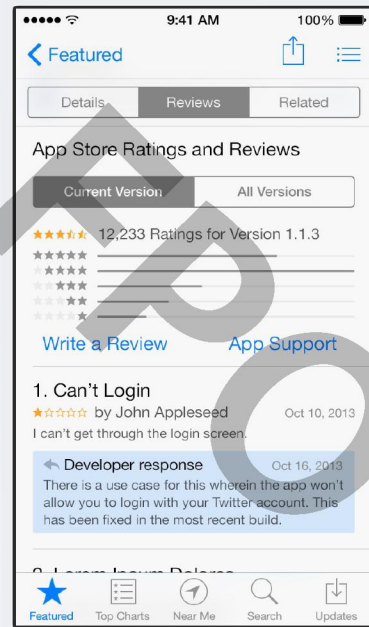
More Exploration



Improved Search



Developer Responses to Reviews





Discovery: Better user experience
International: More countries, more local
Sales & Marketing: More revenue through developer activities
Developer Tools: Help developers be more successful

Top Challenges

Android momentum

Devices, apps, downloads and revenue

Increasing scrutiny on growth of In-App Purchase

88% of billings

Low non-games billings growth

App download rate slowing

Q & A



